MCI Communications Corporation

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Donald Evans Director Regulatory Affairs

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March 8, 1993

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Ms. Donna Searcy Secretary Federal Communications Commission Room 222 1919 M Street, NW Washington, DC 20554

Re: RM-8181

Dear Ms. Searcy:

Enclosed for filing are the original and five copies of MCI's comments in the above captioned proceeding. Please affix a proper notation to mark as received for filing.

Yours truly,

Donald F. Evans

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MAR - 8 1993

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the matter of)
The Petition of the Inmate Calling)
Services Providers Task Force) RM-8181
for Declaratory Ruling)

MCI COMMENTS

Pursuant to Public Notice DA 93-137 MCI Telecommunications Corporation (MCI) provides its comments in the above captioned proceeding. The Inmate Calling Services Providers Task Force (Inmate) seeks a declaratory ruling that so-called specialized phones for inmate-only services are customer premises equipment (CPE) and that certain services provided through these phones are enhanced within the meaning of enhanced services as defined in the Commission's Computer II orders.

CPE Classification

Inmate's assertion that specialized phones utilized for inmate-only calling should be treated as CPE is correct. The basis for classifying inmate-only phones and systems as CPE rests in the Commission's reasoning in not allowing central office based coin telephone service devices to be registered under Part 68 of its Rules. At the time of this decision, only local exchange carriers (LECs) were allowed to provide coin telephone service.

Proposals for New or Revised Classes of Interstate and Foreign Message Toll Telephone Service (MTS) and Wide Area Telephone Service (WATS), 56 FCC 2d, 593 (1975).

Computer II and subsequent Commission rulings relied on this decision. However, as Inmate points out, inmate phones and systems are not within the classification of coin telephones. These phones and systems are not coin operated and need not directly connect to the telephone company operator systems. In fact, these phones and systems are very much like any one of many types of phones and systems that can be purchased by any subscriber.²

The Commission must be wary of LEC arguments that their method of provisioning inmate phones and systems is dependent on central office based equipment and therefore should not be classified as CPE. Any such arguments are wholly without merit. Such arguments clearly point out that LECs may have been cross subsidizing their provision of inmate phones and systems with common carrier services. Such cross subsidization would violate the Commission's Rules regarding the assignment of costs between regulated and non-regulated operations.³

Enhanced Services

Inmate has also argued that the features provided through inmate-only phones should be classified as enhanced services. MCI does not understand these arguments. At the most elementary level, the offerings described in Inmate's petition are not "services" at all, but only features of equipment provided by LECs. More

For instance, there are several phones and systems on the market that will limit the dialing of toll calls, display the time of the call, and even record the duration of a call within the CPE.

^{3 &}lt;u>See</u>, 47 CFR 64.

specifically, inmate's argument conflicts with the definition of an enhanced service and its correct view that the equipment involved is CPE.

Enhanced services are "services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol, or similar aspects of the subscriber's transmitted information; provide the subscriber additional. different, or restructured information; or involve subscriber interaction with stored information".4 The key phrase, for purposes of this inquiry, is "services offered over common carrier transmission facilities" provided to a "subscriber". Here, all of the features discussed in Inmate's petition are functions of CPE rather that services provided over the common carrier network. Since these functions are provided by equipment at the customer's site, they are not enhanced services offered to the subscriber over common carrier transmission facilities.

Moreover, almost all of the features discussed in the petition would be basic services and subject to the Commission's tariffing rules, even if they were offered through the switched network. The few enhanced features mentioned by Inmate--call answering, voice mail and CDAR--are optional "extras" that do not affect the basic nature of the bulk of the features described in the petition. In

Amendment of Section 64.702 of the Commission's Rules and Regulations (Second Computer Inquiry)., 77 FCC 2d, 387 (Computer II).

any event, since those few enhanced features are provided through CPE, they are not enhanced services.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

DONALD F. EVANS

Director, Federal Regulatory 1801 Pennsylvania Avenue, N.W.

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DATED: MARCH 8, 1993

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information, and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on this eighth day of March 1993.

Donald F. Evans

Director, Federal Regulatory Affairs

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CERTIFICATE OF SERVICE

I, Susan Travis, do hereby certify that copies of the foregoing MCI Petition were sent via first class mail, postage paid, to the following on this eighth day of March 1993:

Susan Travis

** Hand Delivered

SERVICE LIST

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